

**UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF NEW YORK**

**PROTOCOL FOR THE EMPLOYMENT
OF CLAIMS AGENTS**

To ensure the use of competitive process in the selection of claims agents in instances where the Court has authorized such use under 28 U.S.C. § 156(c), the following protocol has been established for this court:

1. A debtor or trustee seeking to retain a claims agent under chapter 7 or 11 shall obtain and review engagement proposals from at least three court-approved claims agents. Lists of approved claims agents is accessible from www.nysb.uscourts.gov.
2. An application for retention of a claims agent shall contain an affirmative statement, under penalty of perjury and Fed. R. Bankr. P. 9011, that the applicant chose the claims agent after the review and competitive comparison of at least three proposals.
3. As a condition of retention, the claims agent shall agree to maintain records of all services, **which at a minimum**, will show dates, categories of services, fees charged, and expenses incurred.
4. The fee structure and agreement to maintain records shall be included in the engagement letter. The engagement letter shall be annexed to the application for retention.
5. The claims agent shall serve monthly invoices on the committee, if any, monitoring the expenses of the debtor, and any party-in-interest who requests service of the monthly invoices.
6. If requested by the claims agent, the debtor or trustee may pay an agreed sum as a retainer to cover initial outlay for items such as postage, printing, publication, etc.
7. If any dispute arises relating to an engagement letter or monthly invoices, the parties shall meet and confer in an attempt to resolve the dispute. If resolution is not achieved, the parties may seek resolution of the form order of retention from the Bankruptcy Court.

Failure on the part of the claims agent to comply with its duties as set out in this protocol and with the provisions set out in a retention application and order may lead to removal of the claims agent's name from the list of approved agents.

Claims agents should be disinterested parties to the bankruptcy case and not have any conflicts or represent any interest adverse to the estate.

Dated: May 8, 2006

Kathleen Farrell-Willoughby
Clerk of Court

